

(800) 473-6757

Call the  
**MOSTARS**  
Information  
Center

to speak with trained  
staff members about  
any article in this  
newsletter or to  
obtain free information  
about state and federal  
student financial  
assistance programs.

(573) 751-3940

**October 2001**

**MOSTARS is the student assistance division of the Missouri Department of Higher Education.**

## **MOSTARS Begins State Program Integration Project**

**MOSTARS  
News**

Dan Peterson  
(573) 751-8743  
USER ID:  
dan.peterson

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 In August, MOSTARS launched a project to integrate the database management for the state student financial assistance programs. Currently, MOSTARS has a separate database delivery system for each state program. The goals of the integration project are to:

- ★ deliver the programs' administrative services in a timely and efficient manner,
- ★ use web-based tools that are customer oriented, and
- ★ develop an open, flexible system that can incorporate changes and future programs easily.

MOSTARS has contracted with KPMG Consulting, a nationally recognized educational consulting firm, for project management services. KPMG staff spent the week of Aug. 27-31 working with MOSTARS staff to catalog the steps involved in each state program. A key component of the program review is to discover commonalities

and unique elements of the programs, which will allow MOSTARS to identify opportunities for improvement through the integration project.

A work group of student financial aid administrators will assist MOSTARS and KPMG with the project. KPMG and MOSTARS will use the information gathered from the work group to define opportunities for enhanced program administration and develop a project requirements proposal that will direct the development of the integrated system.

After the integration of the state programs, MOSTARS plans to integrate additional programs and services, such as loan disbursements, with the new system. The end result will be a seamless system that provides users one view for all financial assistance programs. The project is funded by the Guaranty Agency Operating Fund. ★



Beth Ziehmer  
(573) 751-1774  
USER ID: beth.ziehmer

This portion of the **MOSTARS** newsletter includes questions and answers about topics that our clients bring to our attention.

If you think there is a need for a published clarification on a particular topic, contact the **MOSTARS Information Center at (800) 473-6757 or (573) 751-3940** to discuss the topic.

If one of your questions is published, pat yourself on the back for asking a question that may benefit other clients.

### For Your Convenience

An information box indicating subject matter accompanies each article in this newsletter.

This box also contains the name of the article's contact person (where applicable) and his or her phone number and e-mail user ID.

The user ID is now the firstname.lastname. The formula for e-mail addresses at the Missouri Department of Higher Education is as follows:

USER ID@mohhe.gov

Remember, you also can contact the **MOSTARS Information Center at (800) 473-6757 or (573) 751-3940**.

### What does the National Student Loan Data System status code "UD" represent?

**U**D is the status code for Federal Family Education Loans that are considered permanently uninsured/unreinsured. The borrower had a loan for which the lender filed a default claim, but the claim was denied. Lenders may cure the reasons for the claim denial and return the borrower to repayment status without notifying the guarantor that the account has been cured. Therefore, research is warranted to ensure that the UD status is correct.

### How should a school research a borrower's NSLDS record to ensure that the UD status is warranted?

**T**he school should contact the lender to check the current status of the loan. As mentioned in the previous question, there is not a mechanism in place for lenders to systematically notify the Missouri Student Loan Program when an account is cured. Therefore, the lender may have the borrower in repayment, deferment, or forbearance status, which would reinstate the borrower's eligibility for student financial assistance. The lender should provide written notification of the status of the account to the borrower.

Once the school has contacted the lender, the MSLP should be advised so it can take the appropriate steps to update the status of the account in the MSLP system as well as the NSLDS. The lender's documents should be provided to the MSLP.

### What should the school do if a student changes enrollment status more than once in a Student Status Confirmation Report reporting cycle?

**I**n the case of multiple enrollment status changes within an SSCR reporting cycle, the school is expected to report all of the enrollment status changes. However, if the school reports to the NSLDS on a 60-day cycle, the school cannot enter a second enrollment status record for the student. Instead, the school is required to submit the additional enrollment status change and the effective date to the NSLDS separately, using online access.

**If a student wishes to borrow a Federal Stafford Loan for only one term of the academic year, what steps must be taken to ensure that the loan is calculated correctly?**

**T**he cost of attendance, estimated financial assistance, and expected family contribution must be reduced to correspond with the shorter loan period. The expected family contribution figures for periods less than nine months are provided on the Student Aid Report or Institutional Student Information Record.

Schools with cohort default rates of less than 10 percent for the most recent three years are eligible to schedule single disbursements for loan periods no longer than one quarter, one semester, one trimester, or four months (for programs with nonstandard terms or without terms). ★

## MOSTARS Awards Default Prevention Grants

**I**n June, MOSTARS offered to fund default prevention programs for Missouri schools with student loan cohort default rates in excess of 10 percent in federal fiscal year 1997 or 1998. (See the related article in the August 2001 MOSTARS Newsletter.) MOSTARS received 14 funding requests for activities including:

- ★ hiring a default management consultant,
- ★ hiring default management and student retention staff,
- ★ leasing default management software, and
- ★ hiring a third-party servicer to perform default prevention activities.

MOSTARS awarded grants to the following schools:

- ★ Allied Medical College
- ★ Franklin Technology Center
- ★ Linn State Technical College

### Default Prevention News

CariAnne Cutshall  
(573) 522-2008  
User ID:  
carianne.cutshall

- ★ Mineral Area College
- ★ Missouri Southern State College
- ★ Missouri Valley College
- ★ Missouri Western State College
- ★ New Dimension School of Hair Design
- ★ North Central Missouri College
- ★ Ranken Technical College
- ★ Southwest Missouri State University-West Plains
- ★ St. Louis College of Health Careers
- ★ Three Rivers Community College

One other school's proposal is pending. MOSTARS will consider expanding the program to schools with cohort default rates in excess of 10 percent in FFY 1999. ★

## Important Telephone Numbers and Addresses

### MOSTARS News

Beth Ziehlmer  
(573) 751-1774  
USER ID:  
beth.ziehlmer

### MOSTARS

(800) 473-6757  
(573) 751-3940  
Fax (573) 751-6635

**GuaranTec**, the Missouri Student Loan Program servicer  
(800) 824-4893  
Fax (904) 281-7373

### ATOM Correspondence

MSLP  
Attn: ATOM Department  
3515 Amazonas Dr.  
Jefferson City, MO 65109  
Fax (573) 526-7730

### Bankruptcy Claims and Correspondence

MSLP  
3515 Amazonas Dr.  
Jefferson City, MO 65109

### Default Claims

MSLP/GuaranTec  
6420 Southpoint Parkway  
Jacksonville, FL 32216

### Defaulted Borrower Loan Payments

MSLP/GuaranTec  
P.O. Box 41571  
Jacksonville, FL 32203

### General Loan Correspondence

- ★ Exit Counseling Information
  - ★ Loan Status Update Forms (for non-ATOM loans)
  - ★ Default Aversion Assistance Requests
- MSLP/GuaranTec  
P.O. Box 52838  
Jacksonville, FL 32201

### Loan Application Correspondence

MSLP/GuaranTec  
P.O. Box 53198  
Jacksonville, FL 32201 ★

**Participation  
Lists**

Becky Whithaus  
(573) 751-1791  
USER ID:  
becky.whithaus

**To request an MSLP Combined Eligible Lender List, call the MOSTARS Information Center at (800) 473-6757 or (573) 751-3940.**

**For more information, refer to the August 1998 issue of FFELPfacts. You can view a sample of the list in the October 1998 issue of the MOSTARS newsletter.**

**The list also is available online at [www.cbhe.state.mo.us/pdf/lnrlist.pdf](http://www.cbhe.state.mo.us/pdf/lnrlist.pdf). ★**

# Eligible Lender List Changes Added

**American Express Educational Assurance c/o MOHELA, OE 833730-00**  
**FICE Lender Name: American Express Educational Assurance c/o MOHELA**  
**FICE Lender Code: 833730-50**  
**Participation Categories: ATOM, Sub, Sub Pre, Unsub, Unsub Pre, PLUS, PLUS Pre**  
Added Aug. 8

**AMS Education Loan Trust, Fleet c/o AFSA, OE 833079-00**  
**Participation Categories: Sub, Sub Pre, Unsub, Unsub Pre, PLUS, PLUS Pre**  
Added Aug. 30

**Wells Fargo Bank Texas Trustee for Pecos, OE 833666-00**  
**Participation Categories: Sub, Unsub, PLUS**  
Added Aug. 8

**Wells Fargo Bank Texas Trustee for Brazos, OE 833721-00**  
**Participation Categories: Sub, Unsub, PLUS**  
Added Aug. 8

## Changed

**Bank Midwest, NA c/o MOHELA, OE 804866-00 & -50**  
**New Participation Category: PLUS Pre**  
Changed Aug. 15

**First National Bank-Salem c/o MOHELA, OE 813768-50**  
**Mercantile Bank - Doniphan c/o LSC/KS, OE 806838-00**  
**Mercantile Bank - Montgomery Cty c/o LSC/KS, OE 824211-00**  
**Mercantile Bank - North Central MO c/o LSC/KS, OE 806923-00**  
**Mercantile Bank Jefferson County c/o LSC/KS, OE 806864-00**  
**Mercantile Bank of Franklin County c/o LSC/KS, OE 813980-00**  
**Mercantile Bank of Monett, NA, OE 813983-00**  
**Mercantile Bank of North Central MO, OE 830422-00**  
**Mercantile Bank of North Central MO, OE 812787-00**  
**Mercantile Bank of Northwest County, NA, OE 830357-00**  
**Mercantile Bank of Poplar Bluff c/o LSC/KS, OE 822367-00**  
**Mercantile Bank of Sikeston c/o LSC/KS, OE 806908-00**  
**Mercantile Bank of Springfield c/o LSC/KS, OE 813970-00**  
**Mercantile Bank of St. Joe/Springfield, OE 814548-03**  
**Mercantile Bank of St. Joseph NA c/o MOHELA, OE 814548-02**  
**Mercantile Bank of St. Joseph NA c/o MOHELA, OE 814548-51**  
**Mercantile Bank of St. Joseph/Joplin, OE 814548-01**  
**Mercantile Bank of St. Louis NA c/o LSC/KS, OE 823473-00**  
**Mercantile Bank of St. Louis NA c/o LSC/KS, OE 826630-00**  
**Mercantile Bank of St. Louis NA c/o LSC/KS, OE 827024-00**  
**Mercantile Bank of St. Louis NA c/o LSC/KS, OE 828736-00**  
**Mercantile Bank of St. Louis NA c/o LSC/KS, OE 806885-00**  
**Mercantile Bank of Table Rock Lake c/o LSC/KS, OE 831884-00**  
**Mercantile Bank-Cape Girardeau c/o LSC/KS, OE 824885-00**  
**Mercantile Bank-Lake of the Ozarks c/o LSC/KS, OE 827579-00**  
**Mercantile Bank-Memphis c/o LSC/KS, OE 806760-00**  
**Mercantile Bank-Mineral Area c/o LSC/KS, OE 806922-00**  
**Mercantile Bank-Mineral Area c/o LSC/KS, OE 827913-00**  
**Mercantile Bank-Monett NA c/o LSC/KS, OE 806850-00**  
**Mercantile Bank-Pike County c/o LSC/KS, OE 806826-00**  
**Mercantile Bank-Ste. Genevieve c/o LSC/KS, OE 816054-00**  
**Mercantile Bank-Stodd/Boll Counties c/o LSC/KS, OE 806749-00**  
**United Savings Bank, OE 832035-00**

**New FICE Lender Name: Firstar Bank c/o MOHELA**  
Changed Aug. 24

**Mercantile/Firstar Bank c/o MOHELA, OE 814548-50**  
**New Name: Firstar Bank c/o MOHELA**  
Changed Aug. 24

## Removed

**Lamar Bank & Trust Co. c/o MOHELA, OE 806873-00 & -50**  
Removed Aug. 28

**Union Bank c/o MOHELA, OE 806792-00 & -50**  
Removed Aug. 28

# New Reports Available in Mapping Your Future FAO Access

**Mapping  
Your  
Future  
News**

Pam King  
(417) 581-5087  
User ID:  
pam.king

**F**inancial aid professionals who use Mapping Your Future Online Student Loan Exit Counseling now have two new reports available in the Financial Aid Offices Access area. These reports are part of MYF's new ExitExpress service.

ExitExpress (previously known as Pathfinder) enables guaranty agencies to receive student exit counseling data from the MYF exit counseling database. Schools are required to send updated identifiers and demographic information to guaranty agencies within 60 days after the borrower completes exit counseling. (See the Federal SFA Handbook, Direct Loans and FFEL Programs Section, pages 8-69.)

The two new reports are:

- ★ Guarantor Exception Report - This report lists all exit confirmations that have not been retrieved by a guarantor.
- ★ Guarantor Rejection Report - This report lists exit confirmations that were retrieved by a guarantor but were rejected for one of two reasons: 1) The record does not belong to that guarantor or 2) The record has an incorrect Social Security number and the guarantor cannot find a match in its database.

To view these reports, log on to [www.mapping-your-](http://www.mapping-your-future.org/services/fao.htm)

[future.org/services/fao.htm](http://future.org/services/fao.htm), enter your

user name and password, and click on Counseling Session Reports under "Links".

If you have students on these lists, do the following:

- ★ For the Guarantor Exception Report, you may want to wait to handle any exceptions until close to the end of the 60-day period since those reports could be retrieved by a guarantor at some point during the 60 days. If the guarantor does not participate in ExitExpress, the counseling data will have to be forwarded to the guarantor manually within the 60-day period.
- ★ For the Guarantor Rejection Report, check both the Social Security number and the guarantor information. If the guarantor is wrong, you can correct that information in the FAO Access area. For an incorrect Social Security number, it is recommended that you print that report, correct the Social Security number, and forward the data to the guarantor manually.

In addition to these new reports, information on whether an exit confirmation record has been retrieved can be viewed in the individual confirmation report. If you have questions or need assistance, contact your MOSTARS client service representative. ★

**View our new online  
MOSTARS Newsletter  
at [www.mostars.com](http://www.mostars.com).**

# Implementation of Web Payment Process for State Programs

**M**OSTARS is pleased to announce the successful implementation of a web payment process for the Bright Flight, Missouri College Guarantee, and Charles Gallagher Student Financial Assistance Programs. Beginning this fall, paper enrollment eligibility rosters were no longer mailed to institutions. Each institution was sent an electronic file to certify the enrollment eligibility of its students.

On average, MOSTARS provided institutions the electronic enrollment eligibility files 11 days earlier than last year. In addition, MOSTARS provided multiple

return file dates to institutions and delivered funds to students earlier. On average, funds were disbursed to the institutions 25 days earlier than last year.

If you need assistance with this new way of processing payments for the state programs, contact the MOSTARS Information Center at (800) 473-6757, (573) 751-3940, or [icweb@mocbhe.gov](mailto:icweb@mocbhe.gov). ★

**MOSTARS  
News**

Rhonda Elliott  
(573) 526-5716  
User ID:  
[rhonda.elliott](mailto:rhonda.elliott)

The Missouri Department of Higher Education makes every effort to provide program accessibility to all citizens without regard to disability. If you require this publication in an alternate form, contact the MOSTARS Information Center at (800) 473-6757 or (573) 751-3940. Hearing/speech impaired can call (800) 735-2966.

**3515 Amazonas Drive  
Jefferson City, MO 65109**

**FIRST CLASS**

MOSTARS, the student assistance division of the Missouri Department of Higher Education, publishes this newsletter to inform Missouri's higher education community about current issues concerning early awareness and outreach, consumer information, state and federal student financial assistance programs, and student loan default prevention.

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Ms. Lynn Hearnes. . . . Assistant Commissioner for  
Student Assistance and Services